6560-50-P

#### ENVIRONMENTAL PROTECTION AGENCY

#### **40 CFR Part 52**

[EPA-R04-OAR-2015-0114; FRL-9931-03-Region 4]

Approval and Promulgation of Implementation Plans;

Georgia; Removal of Clean Fuel Fleet Program

**AGENCY:** Environmental Protection Agency.

**ACTION:** Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve changes to the Georgia State Implementation Plan (SIP) that were submitted by the State of Georgia, through the Georgia Environmental Protection Division (GA EPD), on January 22, 2015, for the purpose of moving the Clean Fuel Fleet Program (CFFP) from the active portion of the Georgia SIP to the contingency measures portion of the maintenance plan for the Atlanta Area for the 1997 8-hour ozone national ambient air quality standards (NAAQS). EPA has preliminarily determined that Georgia's January 22, 2015, SIP revision regarding the CFFP is approvable because it is consistent with the Clean Air Act (CAA or Act).

**DATES**: Written comments must be received on or before [insert date 30 days after date of publication in the Federal Register].

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R04-OAR-2015-0114, by one of the following methods:

- 1. <u>www.regulations.gov</u>: Follow the on-line instructions for submitting comments.
- 2. *E-mail*: R4-ARMS@epa.gov.
- 3. *Fax*: (404) 562-9019.
- 4. Mail: "EPA-R04-OAR-2015-0114" Air Regulatory Management Section (formerly the Regulatory Development Section), Air Planning and Implementation Branch (formerly the Air Planning Branch), Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960.
- 5. Hand Delivery or Courier: Lynorae Benjamin, Chief, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. Such deliveries are only accepted during the Regional Office's normal hours of operation. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

Instructions: Direct your comments to Docket ID No. EPA-R04-OAR-2015-0114. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at <a href="https://www.regulations.gov">www.regulations.gov</a>, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit through <a href="https://www.regulations.gov">www.regulations.gov</a> or e-mail, information that you consider to be CBI or otherwise

protected. The <a href="www.regulations.gov">www.regulations.gov</a> website is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through <a href="www.regulations.gov">www.regulations.gov</a>, your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. For additional information about EPA's public docket visit the EPA Docket Center homepage at <a href="http://www.epa.gov/epahome/dockets.htm">http://www.epa.gov/epahome/dockets.htm</a>.

Docket: All documents in the electronic docket are listed in the <a href="www.regulations.gov">www.regulations.gov</a> index.

Although listed in the index, some information may not be publicly available, i.e., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form.

Publicly available docket materials are available either electronically in <a href="www.regulations.gov">www.regulations.gov</a> or in hard copy at the Air Regulatory Management Section, Air Planning and Implementation

Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection

Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. EPA requests that if at all possible, you contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of

business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Kelly Sheckler, Air Regulatory Management Section, Air Planning and Implementation Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. Ms. Sheckler's phone number is (404) 562-9222. She can also be reached via electronic mail at <a href="mailto:sheckler.kelly@epa.gov">sheckler.kelly@epa.gov</a>.

#### **SUPPLEMENTARY INFORMATION:**

# I. Background for Atlanta's Air Quality Status Related to the 1-Hour Ozone NAAQS

On November 6, 1991, EPA designated and classified the following counties in and around the Atlanta, Georgia metropolitan area as a serious ozone nonattainment area for the 1-hour ozone NAAQS (hereinafter referred to as the "Atlanta 1-Hour Ozone Area"): Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Paulding, and Rockdale. See 56 FR 56694. The nonattainment designation was based on the Atlanta 1-Hour Ozone Area's design value for the 1987-1989 three-year period. The "serious" classification triggered various statutory requirements for the Atlanta 1-Hour Ozone Area, including the requirement pursuant to section 182(c)(4) of the CAA for the Area to adopt measures necessary to ensure the effectiveness of the applicable provisions of the CFFP

<sup>&</sup>lt;sup>1</sup> On September 26, 2003 (effective January 1, 2004), the Atlanta 1-Hour Ozone Area was reclassified to "severe" for the 1-hour ozone NAAQS because the Area failed to attain the 1-hour ozone NAAQS by its attainment date of November 15, 1999. *See* 68 FR 55469.

described below in section II of this document. EPA redesignated the Atlanta 1-Hour Ozone Area to attainment for the 1-hour ozone NAAQS, effective June 14, 2005.<sup>2,3</sup> *See* 70 FR 34660.

## II. Background for the CFFP

The CFFP is addressed in Title II, part C of the CAA. *See* CAA sections 241-250.

Congress added Part C, entitled "Clean Fuel Vehicles," to the CAA to establish two programs: a clean-fuel vehicle pilot program in the State of California (the California Pilot Test Program), and a CFFP in certain ozone and carbon monoxide (CO) nonattainment areas. EPA promulgated regulations for the CFFP at 40 CFR part 88, subpart C on March 1, 1993. *See* 58 FR 11888.

Under section 246 of the CAA, certain states were required to adopt and submit to EPA a SIP revision containing a CFFP for ozone nonattainment areas with a 1980 population greater than 250,000 that were classified as serious, severe, or extreme.

A state's CFFP SIP revision must require fleet operators with 10 or more centrally-fueled vehicles or vehicles capable of being centrally-fueled to include a specified percentage of clean-fuel vehicles in their purchases each year and to meet additional CAA requirements, including the requirement that covered fleet operators must operate the Clean Fuel Vehicles (CFVs) in covered nonattainment areas on a clean alternative fuel, defined as a fuel on which the vehicle

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<sup>&</sup>lt;sup>2</sup> On April 30, 2004, EPA designated the following 20 counties in and around metropolitan Atlanta as a marginal nonattainment area for the 1997 8-hour ozone NAAQS (hereinafter referred to as the "Atlanta 1997 8-Hour Ozone Area"): Barrow, Bartow, Carroll, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Newton, Paulding, Rockdale, Spalding, and Walton. *See* 69 FR 23858. Subsequently, EPA reclassified this same area as a moderate nonattainment area on March 6, 2008, because the Area failed to attain the 1997 8-hour ozone NAAQS by the required attainment date of June 15, 2007. *See* 73 FR 12013. Subsequently, the area attained the 1997 8-hour ozone standard, and on December 2, 2013, EPA redesignated the area to attainment for the 1997 8-hour ozone NAAQS. *See* 78 FR 72040.

<sup>&</sup>lt;sup>3</sup> On May 21, 2012, EPA published a final rule designating the following 15 counties in and around metropolitan Atlanta as a marginal nonattainment area for the 2008 8-hour ozone NAAQS: Bartow, Cherokee, Clayton, Cobb, Coweta, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Henry, Newton, Paulding, and Rockdale.

meets EPA's CFV standards. EPA promulgated emission standards for CFVs on September 30, 1994. *See* 59 FR 50042.

On May 2, 1994, the State of Georgia submitted a SIP revision to address the CFFP requirements for the Atlanta 1-Hour Ozone Area. EPA approved that SIP revision, containing Georgia's CFFP rules (Georgia Rules 391-3-22-.01 through .11, "Clean Fleet Rules") in a document published on May 2, 1994. *See* 60 FR 66149. Georgia's rules require fleets of 10 or more vehicles that are centrally fueled or capable of being centrally fueled and operated in the Atlanta 1-Hour Ozone Area to include in their vehicle purchases a certain percentage of CFVs. A CFV is one which meets any one of the exhaust emission standards for the following vehicle categories: low emission vehicles (LEV), ultra low emission vehicles (ULEV), and zero emission vehicles (ZEV).

Under the CAA and Federal CFFP regulations, vehicles weighing 26,000 pounds (lbs) or less count towards the requirement, and the CFFP purchase requirements started with 1998 model year vehicles under the following phase-in schedule for light-duty vehicles and trucks under 6,000 lbs. Gross Vehicle Weight Rating (GVWR) and light-duty trucks between 6,000 and 8,500 lbs. GVWR: 30 percent CFV in Model Year 1998, 50 percent CFV in Model Year 1999, and 70 percent CFV in Model Year 2000 and after. The phase-in schedule for heavy-duty vehicles weighing above 8,500 lbs but less than 26,001 lbs. GVWR was: 50 percent CFV in Model Year 1998, 50 percent CFV in Model Year 1999, and 50 percent CFV in Model Year 2000 and after. The following vehicles are exempted from these requirements: motor vehicles for lease or rental to the general public, dealer demonstration vehicles that are used solely for the purpose of promoting motor vehicle sales, emergency vehicles, law enforcement vehicles, nonroad vehicles (farm and construction vehicles), vehicles garaged at a personal residence and

not being centrally fueled, and vehicles used for motor vehicle manufacturer product evaluations and tests.

#### III. Analysis of the State's Submittal

On January 22, 2015, GA EPD submitted a SIP revision to EPA with a request to move Georgia's CFFP rules (Georgia Rules 391-3-22-.01 through .11) from the active portion of the Georgia SIP to the contingency measure portion of the ozone maintenance plan for the Atlanta Area for the 1997 8-hour ozone NAAOS.<sup>4</sup> EPA incorporated this maintenance plan into the SIP in a final action published on December 2, 2013. See 78 FR 72040. In order for EPA to approve Georgia's January 22, 2015, SIP revision, the revision must satisfy the anti-backsliding requirements of EPA's implementation rules for the 2008 8-hour ozone NAAQS<sup>5</sup> and CAA section 110(1). More discussion on EPA's evaluation of these requirements in relation to Georgia's January 22, 2015, SIP revision is provided below.

# A. Consideration of Anti-backsliding Requirements

To support Georgia's request for EPA to move the CFFP from the active portion of the Georgia SIP to the contingency measure portion of the SIP, the State must demonstrate that the requested change is in compliance with EPA's anti-backsliding requirements for ozone. The anti-backsliding requirements for the revoked 1-hour ozone NAAQS were originally promulgated at 40 CFR part 51, subpart X. However, with the promulgation of the implementation rules for the 2008 8-hour ozone NAAQS, EPA moved these requirements to 40 CFR part 50, subpart AA and expanded the provisions to address anti-backsliding requirements

<sup>&</sup>lt;sup>4</sup> See footnote 2 for a description of this Area. <sup>5</sup> See 80 FR 12264 (March 6, 2015).

for the revoked 1997 8-hour ozone NAAQS and the revoked 1-hour ozone NAAQS in relation to compliance with the 2008 8-hour ozone NAAQS.

The CFFP is one of the "applicable requirements" for anti-backsliding purposes under EPA's implementation rules for the 2008 8-hour ozone NAAQS "to the extent such requirements apply to the area pursuant to its classification under CAA section 181(a)(1) for the 1-hour NAAQS or 40 CFR 51.902 for the 1997 8-hour ozone NAAQS at the time of revocation of the 1997 8-hour ozone NAAQS." See 40 CFR 51.1100(o). The 1997 8-hour ozone NAAQS was revoked on April 6, 2015. As mentioned above, the Atlanta 1-Hour Ozone Area was redesignated to attainment effective June 14, 2005, the CFFP requirements apply to the Atlanta 1-Hour Ozone Area given its former status as a serious nonattainment area, the 1997 Atlanta 8hour Ozone Area was redesignated to attainment effective January 2, 2014, and fifteen counties in and around metropolitan Atlanta are currently in nonattainment for the 2008 8-hour ozone NAAQS. Thus, the CFFP is an applicable requirement, and the anti-backsliding requirements under 40 CFR 51.1105(a)(2) in EPA's implementation rules for the 2008 8-hour ozone NAAQS apply to the Atlanta Area. Pursuant to 40 CFR 51.1105(a)(2), a state may request that an applicable requirement under §51.1100(o) be moved to the list of maintenance plan contingency measures for the area in the state's implementation plan so long as compliance with CAA section 110(1) and CAA section 193 (if applicable) is demonstrated.

Today, EPA is proposing to determine that Georgia's January 22, 2014, SIP revision satisfies the anti-backsliding requirements of EPA's ozone implementation rules and the CAA

<sup>&</sup>lt;sup>6</sup> See footnotes 2 and 3 for descriptions of the 1997 and 2008 ozone nonattainment areas, respectively.

<sup>&</sup>lt;sup>7</sup> Section 193 is a general savings clause pertaining to regulations, standards, rules, notices, orders, and guidance promulgated or issued prior to November 15, 1990. The CFFP was effective on May 22, 1994. Therefore, section 193 is not relevant to this action.

section 110(1) requirements (discussed in detail below) and to move Georgia Rules 391-3-22-.01 through .11 from the active portion of the Georgia SIP to the contingency measures portion of Georgia's maintenance plan in the SIP for the 1997 Atlanta 8-hour Ozone Area.

## B. Consideration of Section 110(1) Requirements

As noted above, the State must demonstrate that the requested change will satisfy section 110(l) of the CAA. Section 110(l) requires that a revision to the SIP not interfere with any applicable requirement concerning attainment and reasonable further progress (as defined in section 171), or any other applicable requirement of the Act.

EPA evaluates each section 110(1) noninterference demonstration on a case-by-case basis considering the circumstances of each SIP revision. EPA interprets 110(1) as applying to all NAAQS that are in effect, including those that have been promulgated but for which the EPA has not yet made designations. The degree of analysis focused on any particular NAAQS in a noninterference demonstration varies depending on the nature of the emissions associated with the proposed SIP revision. EPA's analysis of Georgia's January 22, 2015, SIP revision pursuant to section 110(1) is provided below.

In 2000, EPA promulgated new tailpipe emissions standards (commonly referred to as the "Tier 2 Rule") for all passenger vehicles, including sport utility vehicles (SUVs), minivans, vans, and pick-up trucks. *See* 65 FR 6698 (February 10, 2000). This regulation marked the first time that SUVs and other light-duty trucks—even the largest passenger vehicles—were subject to the same national pollution standards as cars. The new tailpipe standards were set at an average standard of 0.07 grams per mile (gpm) for nitrogen oxides (NOx) for all classes of passenger vehicles beginning in 2004-2007. For the heaviest light-duty trucks, the program

provided a three step approach to reducing emissions. First, in 2004, EPA implemented standards not to exceed 0.6 gpm—a more than 60 percent reduction from current standards. Second, to ensure further progress, these vehicles were required to achieve an interim standard of 0.2 gpm phased-in between 2004-2007, an 80 percent reduction from current standards. Third, in the final step, half of these vehicles were required to meet the 0.07 standard in 2008, and the remaining were required to comply in 2009. Vehicles weighing between 8,500 and 10,000 pounds had the option to take advantage of additional flexibilities during the 2004 to 2008 interim period.

In 2001, EPA promulgated new tailpipe emissions standards (commonly referred to as the "Heavy Duty Vehicle Rule") for heavy duty trucks and buses. See 66 FR 5002 (January 18, 2001). In this regulation, EPA finalized a PM emissions standard for new heavy-duty engines of 0.01 grams per brake-horsepower-hour (g/bhp-hr), to take full effect for diesels in the 2007 model year. EPA also finalized standards for NOx and non-methane hydrocarbons (NMHC) of 0.20 g/bhp-hr and 0.14 g/bhp-hr, respectively. These NOx and NMHC standards were phased in together between 2007 and 2010, for diesel engines. The phase-in was based on a percent-of-sales: 50 percent from 2007 to 2009 and 100 percent in 2010. Gasoline engines were subject to these standards based on a phase-in requiring 50 percent compliance in the 2008 model year and 100 percent compliance in the 2009 model year. Both of the standards discussed above (Tier 2 Rule and Heavy Duty Vehicle Rule) reduce tailpipe emission significantly over the LEV standards.

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<sup>&</sup>lt;sup>8</sup> The Heavy Duty Vehicle Rule builds upon the "phase 1 program" finalized on October 6, 2000 (65 FR 59896), that affirmed the 50 percent reduction in NOx emissions from 2004 model year highway diesel engines set in 1997 (62 FR 54693, October 21, 1997) and set new emission standards for heavy-duty gasoline fueled engines and vehicles for 2005.

EPA issued a memorandum on April 17, 2006, noting that after the CFFP requirement became law, EPA promulgated new vehicle emission standards (e.g., Tier 2 Rule and heavy-duty engine standards) that are generally more stringent, or equivalent to, the CFV emission standards for light-duty vehicles, light-duty trucks, and heavy-duty vehicles and engines. The memorandum also stated that "[t]o meet the requirements of the Clean Fuel Fleet Program fleet managers can be assured that vehicles and engines certified to current Part 86 emission standards, which EPA has determined to be as or more stringent than corresponding CFV emission standards per the attached EPA Dear Manufacturer Letter meet the CFV emission standards and the CFFP requirements as defined in CFR Part 88." Further reductions from these same vehicles will be achieved by EPA's newly promulgated Tier 3 emission standards. <sup>10</sup>

In its SIP submission, GA EPD provided an independent analysis of the expected emission benefits of Tier 2 and heavy-duty engine standards over LEV standards. According to GA EPD's analysis, Tier 2 NOx standards have a benefit over LEV ranging from 0.09 gpm to 0.99 gpm on a per vehicle basis. With regard to the heavy-duty engine standards, GA EPD indicates that there is a benefit of 1.4 grams/brake-horse power per hour for the combination of non-methane hydrocarbons and NOx on a per vehicle basis.

EPA has preliminarily determined that the removal of the Georgia CFFP will not interfere with attainment or reasonable further progress, or any other applicable requirement of

<sup>&</sup>lt;sup>9</sup> Memorandum from Leila H. Cook, EPA Transportation & Regional Programs Division, to Air Program Managers re: Clean Fuel Fleet Program Requirements (April 17, 2006). This memorandum superseded a July 2, 2004, memorandum from Leila H. Cook noting that the Tier 2 standards are equivalent to or cleaner than earlier emission levels mandated by the CFFP. These memoranda are included with the State's SIP revision in the docket for this proposed action.

<sup>&</sup>lt;sup>10</sup> "Control of Air Pollution From Motor Vehicles: Tier 3 Motor Vehicle Emission and Fuel Standards." *See* 79 FR 23414 (April 28, 2014).

<sup>&</sup>lt;sup>11</sup> See Table 1 of the Georgia's January 22, 2015, SIP revision.

the Act because the emission reductions that were generated by Georgia's CFFP have been overtaken by EPA's Tier 2 Rule and heavy-duty emissions standards. As discussed above, the vehicle emissions standards referenced in EPA's April 17, 2006 memorandum have been fully implemented, thus ensuring that all new vehicle fleet purchases meet CFV standards. <sup>12</sup>

# IV. Proposed Action

EPA is proposing to approve Georgia's January 22, 2015, SIP revision and move Georgia's CFFP rules (Georgia Rules 391-3-22-.01 through .11) from the active portion of Georgia SIP to the contingency measures portion of Georgia's maintenance plan in the SIP for the 1997 Atlanta 8-hour Ozone Area. EPA is proposing this approval because the Agency has made the preliminarily determination that Georgia's January 22, 2015, SIP revision is consistent with the CAA and EPA's regulations and guidance.

# V. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. *See* 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this proposed action merely approves State law as meeting federal requirements and does not impose additional requirements beyond those imposed by State law. For that reason, this proposed action:

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<sup>&</sup>lt;sup>12</sup> In its January 22, 2015, SIP revision, GA EPD analyzed the annual reports submitted by the fleets for the model years 2001 – 2004 and 2006 to determine the number of used vehicles purchased and the range of the model years. GA EPD determined that 98 percent of the vehicles purchased are new. Only 2 percent of vehicles are purchased as used. Out of the used vehicles purchased, 80 percent are 2004 and newer models. As a result, only 0.4 percent of vehicles purchased are older than the 2004 model year.

- Is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, the SIP is not approved to apply on any Indian reservation land or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), nor will it impose substantial direct costs on tribal governments or preempt tribal law.

# List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 et seq.

Dated: July 14, 2015. Heather McTeer Toney,

Regional Administrator,

Region 4.

[FR Doc. 2015-18079 Filed: 7/23/2015 08:45 am; Publication Date: 7/24/2015]